

Indiana State Sentinel.

INTERNAL VIGILANCE IS THE PRICE OF LIBERTY.

INDIANAPOLIS, DECEMBER 21, 1848.

The Clubbing System.

The clubbing system introduced by the undersigned has not met our expectations. We have given it a fair trial; but the extra money has not been met by corresponding efforts on the part of our friends, with a few exceptions. It does not, and cannot, under existing circumstances, afford us a fair remuneration. While we voluntarily make the present sacrifice, we did hope that the indulgence was sufficient to increase our list to at least several thousands over our former subscription. Giving more reading matter for the price than can be obtained in any part of the West, we had hoped our friends would take advantage of the liberty, and exert themselves accordingly. This has not been done to a degree commensurate with the plan proposed. Hence, after what has been a fair trial on our part, we shall abandon the system of clubbing; and shall, hereafter, adopt the following plan, which will be invariable and permanent:

FOR OUR WEEKLY PAPER, 20 cents a year, and the money must always accompany the order or subscription will be given if.

JOHN D. DEFRIES, Editor Journal.

CHAPMAN & SPANN, Editors State Sentinel.

To Correspondents.

R. G. Morganston. By reference to our published terms, you will perceive that we have discontinued the clubbing system entirely, for reasons fully set forth in late numbers.

State Convention!

Are our friends alive to the importance of our next State Convention? Are they prepared? Are the delegates selected, and such as will attend? These are important queries, and every democrat in the State is interested to see that they are attended to. No time is to be lost. We have a wily foe, and consequently it behooves us not to sleep on our arms, because we feel flushed with victory!

The Journal of yesterday, contains a communication signed "Justice," (which it says comes from "a prominent democrat of the State"), on the subject of the election of U. S. Senator. So far as its imputations refer to us, they are unfair and false, and we presume those against Mr. Hannegan and his friends, are equally so. This personage, whoever he is, is not content with victory, but would mutilate the slain! He certainly shows some judgment in selecting his organ of communication with the public, for though he may be a professed democrat, his heart seems to be as black as that of any whig. He insinuates falsehoods which he dares not assert positively; having only courage enough to act the part of an hired assassin in the dark.

The Loan Bill, providing for borrowing \$50,000 of the State Bank, to meet the January interest accruing against the State under the "Butler Bill," has passed the House of Representatives, as well as the Senate, and will of course receive the signature of the Governor, as it is in accordance with the policy recommended in his message at the commencement of the session.

Mem.—The Bank will have no objection that the State should be indebted to a safe extent; for in a few years a renewal of the bank charter will be applied for. The old maxim runs, that the borrower is ever the servant of the lender; and the bank, being the creditor of the State, will be able to dictate its own terms. It is well for the millers that the public debts are full of milk!

Scott's Publication.

We would again refer our readers to the advertisement of LEONARD SCOTT & CO., the American publishers of the leading British Periodicals. When such works, standard works, as the Edinburgh Review, London Quarterly Review, Westminster Review, North British Review, and that incomparable Magazine, Blackwood's monthly, are to be had at less than half their English cost, we wonder that so much is expended in merely ephemeral literature.

It is not to be supposed that this side of the Atlantic will agree with every dogma broached on the other side. But we do consider it all important for every one, interested in literary pursuits, political ethics, science, arts, etc., to review and examine all sides of the question. Then here is an opening, which may, despite his prejudices, either correct or confirm his judgment. And at such cheap rates, that there can be no excuse offered. Take the series as a whole, no publications will better pay perusal. We commend our friends to examine specimens, which can be seen and read at our office, but not bound.

Godley's Lady's Book.

Sometime since we noticed this incomparable magazine of Light Literature, for such it was originally. It has now become the leading magazine of the country if not of the world. Its publisher, Mr. Goody, happens to be one among the honest. He does what he agrees to, and this is much more than can be said of Magazine publishers generally.

The Lady's Book is the largest, and in other respects, the best magazine of the kind in the country. Its embellishments are fine and much more numerous than that of any other, and many of them of real practical utility. Its host of writers are not to be surpassed; and every now and then we have a peep into their sweet faces—may we can see their very souls, if the artist does not injure them. Those who have not taken this magazine, can examine numbers at our office. Besides the Magazine, he publishes the

Lady's Dollar Newspaper.

Which is one of the best in the country. It is edited by "FANNY LINTON," who fully supplies the place of its late editress, the inimitable and charming "GRACE GREENWOOD." Come and see it, and then you will subscribe for it.

We see it stated in several papers, that Gen. Taylor has signified his intention of resigning his office of Major General some time in February next. One paper has it on the 29th! Thus it seems that the President elect intends to hold on to office; and if he is so now, what may he not do when he becomes President? Will he ever "surrender" that office? The fact itself needs not one word of comment. But how unlike our Senator elect! He, as we are told, intends shortly to resign his office of Governor. The salary of nine months does not affect him, as such matters seem to effect the President elect. No wonder he refused to pay postage on his letters.

We are pleased to notice the distinguished compliment paid to Mr. HANNEGAN in the United States Senate, by placing him at the head of the committee on Foreign Relations. The other members of the committee are Messrs. Benton, Webster, Mangum and King of Alabama. Mr. Hannegan is also chairman of the committee on Roads and Canals.

On Tuesday evening last, the death of the Hon. SAMUEL GOSWOLD, late Senator from the county of Jefferson, was announced in both Houses. Resolutions suitable to the occasion were passed, when both Houses adjourned, as a further mark of respect for the memory of the deceased.

John Bull in the Field!

We refer our readers to the advertisement of John Bull's Sarsaparilla, to be found in another column. This article is highly recommended by many persons, among whom we find many M. D.s.

The friends of the New Albany Bulletin (if it has any), would do well to look after its editorial department—it's out of order, sure. What is the matter? Perhaps our friend of the New Albany Democrat can tell. The style is peculiar—in especial!

The Columbus Democrat prefers the Hon. R. D. Owen as the democratic candidate for Governor.

The School Funds.

We publish a communication on the subject of the School Funds. We do not know the author, though the manuscript was handed to us by a respectable person. The writer asks if we cannot copy his articles as published in the Journal. Perhaps we could, if we knew him and his objects better than we now do. All we do know is, that there are already some two AND A HALF MILLIONS OF DOLLARS at stake, besides the thousands which are to be raised by taxation. That is enough to make men very zealous in the cause. We hope that we shall have very *butler* Bill legislation about this very important matter. That kind of legislation will only result in mischief, and misfortune.

For ourselves, we do not believe that any satisfactory school system can be devised until we revise and remodel the Constitution of the State. That instrument, so far as education is concerned, puts the cart before the horse; and it is necessary to reverse that state of things, before we can commence right. We do not mean to complain of either the motives or designs of the framers of that instrument. They, no doubt did the best they could do, under the circumstances, in this and many other respects. But the state of things has very materially changed since the adoption of that instrument; it has become obsolete in many particulars, and ought to be so in others. This is one great reason why some of the very youngest States are distancing Indiana in the race of progress and improvement. We stand greatly in need of Law reform, of Legislative reform, and in some degree, of Educational reform in every particular. But we require constitutional remedies, not specific ones, to commence with. Every well read physician, at least, if not every lawyer, will understand the force of the expression we employ. There are certain deep-rooted diseases, local as well as general, which only constitutional treatment will reach or relieve. To apply specifics in such cases, is only to tinker, and that at great risk.

This is the reason why we should deprecate hasty or ill-digested action upon the very important subject of common school education at the present session of the General Assembly. A short session has been demanded, by some, upon the plea that there is nothing for the legislature to do. If the plea were true, the demand would be right. But we know of no subject of greater importance than that of education, which the legislature has a right to direct or control, especially when, as in the present case, millions of dollars already funded, as well as the question of additional enactments upon this subject, the duration of the legislative session is of no consequence. Better that the session should last six months to effectuate a good law, than that a bad one should be passed to shorten it to six weeks. Far better indeed that there should be no legislation whatever, than such as will not be productive of certain good.

The last number of the Rising Sun Indiana Whig takes another turn at our neighbor the State Journal after the fashion following:

"The State Sentinel seems to think that we were 'a little too hard upon our Whig friend of the Journal,' and continues by saying, 'it is a very difficult thing to edit a paper here, to the perfect satisfaction of a party and its leaders.' That may all be true, sir—but can you be so good as to inform us, what party the editor of the Journal could please? We can think of none at present, without it is the *both* party, and then we would only do to drop on the rear. That Indiana will be a Democratic State, so long as the State Journal is conducted by its present proprietor, there can be no doubt. Its location at the capital of our State will always give it a certain influence, and unless it is nipped in the bud, the now tender leaf may try to expand, and mushroom-like, Indiana will be glutted with little State Journals. Your allusion to the fable of the 'old man and his ass,' is very applicable. It was the right eye that got gored this time. *Sic ut vocis, ergo sic.*"

It's the Journal's time now. Go it gentlemen, we'll hold your hats!

The late rains seem to have been very destructive to the Walash. The Parke County Whig of the 15th says—

The late freshet in the Walash was tremendous, and is said to have destroyed an immense quantity of corn and other property along the bottoms. Much damage was also done to the Canal, particularly to that portion of it near the crossing of Sugar-Creek. The principal contractor, Hugh Stewart, we understand, estimates his loss to be at least \$25,000. This injury is still more to be regretted as it may cause some individuals to abandon their contracts, and will greatly retard the completion of the Canal. Some are even predicting that it will never be completed, but the little given up and abandoned as hopeless and impracticable.

DAMAGES ON THE CANAL.—It is feared that the Walash and Erie Canal has suffered greatly by the recent great floods. The newly constructed portion between this and Covington is broken and injured to a heavy extent. Between Covington and Lafayette there are several serious breaches. The extent of injury is not yet known—probably \$100,000 will not cover the loss. —Walash Courier, 10th.

BREAK.—We have been informed that there has been a break in the Erie Canal between Brookville and Lockport, the bank having been washed away by the late freshets for several hundred yards. A stop to navigation at the present time will cause great inconvenience to those shipping and receiving on this line. We hope the damage is not so serious as it has been represented.—Brookville Democrat.

Gen. Taylor's election to the Presidency of the U. States has diffused an unspeakable satisfaction throughout Great Britain.—State Journal's Tel. Despatches.

Of course; when did the whig party of this country ever gain a victory over the people that did not "diffuse an unspeakable satisfaction throughout Great Britain?" The British Money Kings and "Kings by the Grace of God" as they blasphemously style themselves, are the natural and universal enemies of Republicanism as it fell in the person of Gen. Cass, and hence their "unspeakable satisfaction." The telegrapher might have saved himself the trouble of communicating that news. It was well known long since.

There is some prospect of an organization of the Ohio House of Representatives, on the basis of a compromise introduced by Mr. Townsend, free trader. The compromise excludes all persons having doubtful claims to seats, from participation in the legislative business in the first instance, and it is understood that the cases of Pugh and Pierce shall be the first business transacted.

Late Mexican papers contain proposals for a loan of \$500,000, based upon the indemnity to be paid by the United States. The government is limited to one per cent. a month. It is inferred from a paragraph in one paper that the sum of 20,000 dollars had been obtained, but that there was much doubt whether the remaining 480,000 could be procured.

The steamer Wyandotte was snagged and sunk at Pawpaw Island, Mississippi river, on the 21st ult. She was rounding to for wood. Some 25 or 30 lives were lost, more than half women and children. The cargo and many valuable letters were also lost.

Park Theatre Burned.

New York, Dec. 18th, P. M. The Park Theatre was destroyed by fire on Saturday night. The walls only are standing. Loss \$800,000.

The election for Mayor of the city of Boston, took place on the 11th inst., and resulted in the election of Mr. Bigelow, the whig candidate, by a majority of 2,422.

For the Indiana State Sentinel.

The Democratic State Convention.

MESSRS. CHAPMAN & SPANN: According to the usage of our time-honored party, the Democracy contemplate holding a State Convention at Indianapolis, on the 8th day of January next, for the purpose of choosing suitable candidates for the office of Governor and Lieutenant Governor. Indiana has many worthy in her limits, tried and true, well worthy to be the standard-bearer of her noble-hearted democracy; and who would, if the mantle should fall upon their shoulders, prove themselves in every way competent and efficient. But in glancing around among the many noble, distinguished names who have already been spoken of, in various portions of our State, in connection with these offices, I know of none more distinguished and prominent, and deservedly so, than that of the Hon. Eleazer M. Chamberlain, of Gosport, Indiana, for the office of Governor. He emigrated to this State from the State of Maine in the year 1832, and ever has maintained a proud and exalted stand on behalf of the interests of this State, serving his fellow-citizens in many important stations, always proving himself equal to every emergency where his countrymen have placed him. Of his talents as a statesman, a jurist and a scholar, there can be no question. His knowledge and experience as a statesman, and the practical application of his profound remarks in political economy to the development of the vast resources and agricultural interests of our State, emphatically point him out as the man to take charge of her helm for the next three years to come. His political faith, who dare to question it? Every man who knows Judge Chamberlain at all, knows him to be a democrat of the first water. He never hides his light under a bushel, but it stands out in bold relief, shedding its influence around him wherever he may be, pointing him out as a democrat in whom there is no guile. He has no compromises, no concessions to make to his political opponents; he believes that the salvation of this glorious republic, depends upon the ultimate triumph of the democratic faith, and to accomplish this, his talents and his all are consecrated to the duty. His knowledge and his democracy of our beloved State, entitle him to the helm of her affairs, with more confidence and assurance of their entire safety, than into those of Eleazer M. Chamberlain. I know of none, and every true-hearted democrat must respond.

There may be every question of a local or personal nature, which may have an important bearing in the selection of our candidates, and may influence some in deciding this question. For my part, I have no feelings of that kind which I am actuated. I live in the extreme south, on the banks of the Ohio river, and it would not be suspected that I would be bribed by my locality, in favor of the extreme north. I know no geographical distinctions in our State in the selection of our officers; we are one great family, united by the closer ties of one common interest; pride, or honor, or glory, or our destiny are one. The north is as dear to me as the south, the east as the west; we are all brethren. In apportioning our tasks, and in selecting out the servants, and agents to preside for the future welfare and general good of this great family, let us be careful to do justice to every portion of its inheritance, that we may give no cause for dissatisfaction, jealousies and divisions among its various members; and that we may remain one people in feeling, as we are in interest.

Judge Chamberlain, in canvassing over our State at great expense in time and money to himself, during last summer, as Elector for the State at large, contracted the esteem and confidence of the democracy everywhere he went, and no man in the State, in my humble opinion, would give more universal satisfaction, and upon whom the democracy would unite with more energy, enthusiasm and a hearty determination to support him, than Judge Chamberlain. And without disparaging the claims of others, in every way worthy, I hope to see the north gratified in this particular. If the man of their choice whom they present to us as a suitable candidate, was at all standing in any particular to qualify him for so important a trust, as to represent the State, he would not be ready to yield to their just demand; but none more competent, none more worthy or meritorious can be presented in the State, and every objection, on that score must fall to the ground.

Congress.

WASHINGTON, Dec. 18, P. M. SENATE.—Mr. Douglas presented a petition from Henry O'Reilly, praying for the right of way for a Telegraph Line to California, to connect with the lines already constructed by him from the Atlantic to the Mississippi river.

Mr. Benton called up the Aspinwall, Panama, Railroad Bill, and spoke at some length in favor of its passage.

Mr. Breese hoped the consideration of the bill would be postponed, as he had reason to believe more favorable proposals would be offered by the same or other parties.

Mr. Hale opposed the bill earnestly, and contended that it ought not to pass.

Mr. Johnson, of Md., opposed the passage of the bill, giving his reasons why he thought it ought to be rejected.

The bill was postponed, and the Senate went into Executive Session, and soon afterwards adjourned.

HOUSE.—Mr. Vinton, from the Committee on Finance, reported a bill to supply the deficiency in the Treasury for the fiscal year ending 30th June, 1849. Referred.

The bill for establishing a Territorial Government in New Mexico and California was called up and warmly debated.

Mr. Robinson, of Indiana, preferred leaving the subject to be acted upon by the Taylor Administration.

Mr. Wentworth moved to lay the bill on the table, which was carried; yeas 101, nays 77.

Mr. Giddings, agreeably to notice, brought in a bill authorizing the people of the District of Columbia, both white and black, to express by ballot for or against slavery therein.

Mr. Thompson, of Missouri, moved to lay the bill on the table. Carried; yeas 100, nays 77.

After some unimportant business the House adjourned.

HOMESTEAD EXEMPTION.—The following bill was introduced into the Indiana Legislature on the second day of the present session, by Mr. Stewart. Home-stead exemption is a favorite subject with us, and we have often advocated—one which we do hope our legislature will take under consideration, and that they will mature and pass a bill at the present session which will to some extent provide against the casualties constantly overwhelming a portion of mankind, and prevent utter wreck of property when adversity overtakes them. The reader will understand that a bill cannot effect debts contracted prior to the time specified for its going into operation, and can infringe on no man's rights—neither those of debtor nor creditor. Its early introduction into the Senate augurs well. The only questionable feature we notice on the first reading of the bill, is the number of acres it proposes to exempt. Would not more be better?—People's Friend.

GEN. JACKSON'S EQUESTRIAN STATUE.—A young American artist, Mr. Clark Wells, is now engaged upon the model of an equestrian statue of Andrew Jackson, which is intended to be cast of bronze, with the cannons taken at the battle of New Orleans by old Hickory. The group will be three times as large as life, and be erected on a pedestal twenty feet high, in front of the president's house at Washington. It is the first bronze equestrian statue ever attempted in the United States, and it will be a noble work of art in which the horse stands on its hind legs by its own equilibrium. That of Peter the Great, at St. Petersburg, and that of Louis XIV, in Paris, so famous all over Europe, represent the same attitude, but they are supported by the tail of the animal, the extremity of which is riveted to the pedestal.

SENATOR BENTON.—The St. Louis Republican, of the 17th, says: "It has been stated in private circles, within a couple of weeks past, that an effort will be made at the coming session of the Legislature to induce Col. Benton to resign his seat in the Senate of the United States. His course upon the Whig Proviso, as connected with the Oregon Territorial Bill, and his general support of the Proviso, is said to be the groundwork of the plot."

Jeremiah Hughes, successor to H. Niles in the publication of Niles's Register, died recently at Baltimore, aged 55 years. Mr. Hughes was an excellent citizen, was editor of the Maryland Republican, and has been a member of the N. H. Legislature, much esteemed.

A Cleveland paper caused a good deal of excitement by announcing that the yellow fever had broken out at that place recently! It turned out to be the yellow cold fever, however. That fever rages elsewhere than at Cleveland.

The election for Mayor of the city of Boston, took place on the 11th inst., and resulted in the election of Mr. Bigelow, the whig candidate, by a majority of 2,422.

California Gold Mines.

Among the documents received by the Secretary of War, and communicated with the President's message, is the following letter from Col. Mason, the military commandant of California, who presents the fullest description we have seen of the gold "placer" of that distant region:

[No. 37.]

HEAD QUARTERS, MILITARY DEPT. OF MONTEREY, CALIFORNIA, Aug. 17, 1848.

SIR—I have the honor to inform you that, accompanied by Lieut. W. T. Sherman, 3d Artillery, A. A. General, I started on the 13th of June last, to make a reconnoissance of the northern part of California. My principal purpose, however, was to visit the newly discovered gold "placer" in the valley of the Sacramento. I had proceeded about forty miles, when I was overtaken by an express, bringing me intelligence of the arrival at Monterey, of the U. S. ship San Antonio, with important letters from Col. Snodgrass, and Lieut. Col. Burton. I returned at once to Monterey, where I found the above named officers, and on the 17th resumed my journey. We reached San Francisco on the 20th, and found that all, or nearly all, its male inhabitants had gone to the mines. The town, which a few months before was so busy and thriving, was then almost deserted. On the evening of the 24th, the horses of the escort were crossed to Sausalito in a launch, and on the following day we resumed the journey by way of Bolinas and Sonoma, to Sutter's fort, where we arrived on the morning of the 22d of July. Along the whole route, miles were lying idle, fields of wheat were open to cattle and horses, houses vacant, and farms going to waste. At Sutter's there was more life and business. Launches were discharging their cargoes at the river, and orders were being sent to the farms where the already established several stores, a hotel, &c. Capt. Sutter had only two mechanics in his employ, (a wagon maker and a blacksmith,) whom he was then paying ten dollars a day. Merchants pay him a monthly rent of \$100 per room; and while I was there, a two-story house in the fort, was rented as a hotel for \$500 a month.

At the invitation of many gentlemen, I delayed there to participate in the first public celebration of our national anniversary at that fort, but on the 5th resumed the journey, and proceeded twenty-five miles up the American fork, to a point on it now known as the Lower Mines, or Mormon Diggings. The hillsides were thickly strewn with canvases tents and such others; a store was erected, and several boarding shanties in operation. The day was intensely hot, yet about two hundred men were at work in the full glare of the sun, washing for gold—some with tin pans, some with close-woven Indian baskets, but the greater part had a rude machine, known as the cradle. This is on rockers, six or eight feet long, open at the foot, and at its head has a coarse grate or screen, the bottom of which is made of small cleats nailed across. Four men are required to work this machine; one digs the ground in the bank close by the stream; another carries it to the cradle and empties it on the grate; a third gives a violent rocking motion to the machine, whilst a fourth dashes on water from the stream itself. The sieve keeps the coarse stones from entering the cradle, the current of water washes off the early matter, and the gravel is gradually carried out at the foot of the machine, leaving the gold mixed with a heavy fine black sand above the first cleats. The sand and gold mixed together are then drawn off through a long hole into a pan below, are dried in the sun, and afterwards separated by blowing off the sand. A party of four men thus employed at the cradle, will wash about 100 bushels of gravel, and those who have nothing but pans or willow baskets, gradually wash out the earth and separate the gravel by hand, leaving nothing but the gold mixed with sand, which is separated in the manner before described. The gold in the lower mines is in fine bright scales, of which I send several specimens.

As we ascended the south branch of the American fork, the country became more broken and mountainous. At the six-mile mark, 25 miles above the lower washings, or 60 miles from Sutter's, the hills rise to about a thousand feet above the level of the Sacramento plain. Here a species of pine occurs, which led to the discovery of the gold. Capt. Sutter feeling the great want of lumber, contracted in September last, with a Mr. Marshall, to build a saw mill at that place. It was erected on the course of the present mill, and a dam and race constructed, but when the water was let on the wheel, the tail-race was found to be too narrow to permit the water to escape with sufficient rapidity. Mr. Marshall, to save labor, let the water directly into the race with a strong current, so as to wash it wider and deeper. He effected his purpose, and a large bed of gold was discovered at the foot of the race. One day, Mr. Marshall, as he was walking down the race to his deposit of mud, observed some glittering particles at its upper edge; he gathered a few, examined them, and became satisfied of their value. He then went to the fort, told Capt. Sutter of his discovery, and they agreed to keep it secret until a certain grist-mill of the country had been erected, and the gold was abundant, that for the present there is room and enough for all. Still the government is entitled to rents for this land, and immediate steps should be devised to collect them, for the longer it is delayed the more difficult it will become. One plan I would suggest is, to send out from the United States, surveyors with high salaries, bound to serve specified periods, and to be paid only when they have discovered gold, with power to grant licenses to work a spot of ground—say 100 yards square—for one year, at a rent of from 100 to 1,000 dollars, at his discretion; the surveyors to measure the ground, and place the rent in possession.

A better plan, however, will be to have the district surveyed and sold at public auction to the highest bidder, so that the rent will be 20 to 40 acres. In either case, there will be many intruders, whom for years it will be almost impossible to exclude. The discovery of these vast deposits of gold has entirely changed the character of Upper California. Its people, before engaged in cultivating their small patches of ground, and guarding their herds of cattle and horses, have now turned to the mining, and their way of life is entirely changed. Laborers of every trade have left their work benches, and tradesmen their shops. Sailors desert their ships as fast as they arrive on the coast, and several vessels have gone to sea with hardly enough loads to spread a sail. Two or three are now at anchor in San Francisco, with no crew on board. Many deserters have taken place in the garret, and within the influence of these mines; twenty soldiers have deserted from the post of Sonoma, twenty-four from that of San Francisco, and twenty-four from Monterey. For a few days the evil appeared so threatening, that great danger existed that the garrisons would leave a body; and I refer you to my orders of the 25th of July, to a soldier who adopted the military life, and I shall apply the same exertions to apprehend and punish deserters, but I believe no time in the history of our country has presented such temptations to desert as now exist in California. The danger of apprehension is small, and the prospects of high wages certain; pay and bounties are trifles, as laboring men at the mines, can now earn in one day what the soldier can receive for his flag throughout this tempting crisis. No officer can now live in California on his pay, money has so little value; the prices of necessary articles of clothing and subsistence, are so exorbitant and labor so high, that to hire a cook or servant, has become an impossibility, save to those who are earning from thirty to fifty dollars a day. The desertion of this country is a fearful thing. Yet, from the geographical position of California, and the new character it has assumed as a mining country, prices of labor will always be high, and will hold out temptations to desert. I therefore have to report that if the government wish to prevent desertions here on the part of the men, and to secure the aid of the officers, their pay must be increased very materially. Soldiers, both of the volunteer and regular service, discharged in the country, should be permitted at once to locate their land warrants in the gold district. Many private letters have gone to the United States, giving accounts of the vast quantity of gold recently discovered, and it may be a matter of surprise why I have made no report on the subject at an earlier day. The reason of this is, that I do not bring myself to believe the reports that I heard of myself. I have no hesitation now, in saying that there is more gold in the country drained by the Sacramento and Joaquin rivers, than will pay the cost of the present war with Mexico a hundred times over. No

ter at Weber's place, they had removed there, and were on the point of commencing operations. I might tell of hundreds of similar instances, but to illustrate how plentiful the gold was in the pockets of common laborers, I will mention a simple occurrence which took place in my presence, when with Mr. Weber's stock. This stock was nothing but a number of bushes, under which he had exposed for sale, goods and provisions suited to his customers. A man came in, picked up a box of Sedgwick powder, and asked its price. Capt. Weber told him it was not for sale. The man offered an ounce of gold, but Capt. Weber told him, only cost 50 cents, and he did not wish to sell it. The man then offered a ounce and a half, when Capt. Weber told him to take it. The prices of all things are high, and yet Indians, who before hardly knew what a breach cloth was, can now afford to buy the most gaudy dresses.

The country on either side of Weber's creek, is much broken up by hills, and is intersected in every direction by small streams, ravines, each containing a load or less of gold. Those that have been worked are barely scratched; and although thousands of ounces have been carried away, I do not consider that a serious impression has been made upon the whole. Every day was developing new and richer deposits; and the only impression seemed to be, that the metal would be found in such abundance as seriously to depreciate its value.

On the 8th of July, I returned to the lower mines, and on the following day to Sutter's, where, on the 10th, I was making preparations for a visit to the Feather, Yuba, and Bear rivers, when I received a letter from Commander A. R. Long, United States navy, who had just arrived at San Francisco from Mazatlan, with a crew for the ship-of-war, the Warren, with orders to take her to the Sierra Nevada. I was glad to hear of the arrival of the Warren, as the Mexican Congress had adjourned without ratifying the treaty of peace; that he had letters for me from Commodore Jones, and that his orders were to sail with the Warren, on or before the 20th of July. In consequence of these, I determined to return to Monterey, and accordingly arrived here on the 17th of July. Before leaving Sutter's, I had myself that gold, which I found in the bed of the Feather river, in the Yuba and Bear, and in many of the small streams that lie between the latter and the American fork; also, that it had been found in the Cosumnes to the south of the American fork. In each of these streams, the gold is found in small scales, whereas in the intervening mountains it occurs in coarse lumps, and in some cases in nuggets.

Mr. Sinclair, whose rancho is three miles above Sutter's on the north side of the American fork, employs about 50 Indians on the north fork, not far from its junction with the main stream. He had been engaged about five weeks when I saw him, and up to that time, his Indians had used simply closely woven willow baskets. (His net proceeds (Yuba mine) were about \$100 worth of gold.) He showed me the proceeds of his last week's work—fourteen pounds avoirdupois, of clean washed gold.

The principal store at Sutter's Fort, that of Branham & Co., had received in payment for goods, \$30,000 (worth of this gold) from the 1st of May to the 10th of July. Other merchants had also made extensive sales of goods, and the gold was ready to hand for sale to the mines, as the Indians, heretofore so poor and degraded, have suddenly become the consumers of the luxuries of life. I before mentioned that the greater part of the farmers and rancheros had abandoned their fields to go to the mines. This is not the case with Capt. Sutter, who was carefully gathering his wheat, estimated at 10,000 bushels. Flour is already worth at Sutter's, \$80 a barrel, and soon will be fifty. Unless large quantities of breadstuffs reach the country, much suffering will occur; but as each man is now able to pay a large price, it is believed the merchants will bring from Chili and Oregon, a plentiful supply for the coming winter.

The most moderate estimate I could obtain from men acquainted with the subject, was, that upwards of four thousand men were working in the gold district, of whom more than one-half were Indians; and that from \$30,000 to \$50,000 worth of gold, if not more, was daily obtained. The entire gold district, with very few exceptions of grants made some years ago by the Mexican authorities, is on land belonging to the United States. It was a matter of serious concern to me, how it could secure to the government certain rents or fees for the privilege of procuring this gold; but upon considering the large extent of country, the character of the people engaged, and the small scattered force at my command, I resolved not to interfere, but to permit all to work freely, unless broils and crime should call for interference. I was surprised to learn that crime of any kind was very infrequent, and that no thieves or robbers had been committed, and that no one could keep his property in his house, or in the open air; and men have frequently taken their persons thousands of dollars worth of the gold, and it was to me a matter of surprise that so peaceful and quiet a state of things should continue to exist. Conflicting claims to particular spots of ground may cause collisions, but they will be rare as the extent of country is so great, and the gold so abundant, that for the present there is room and enough for all. Still the government is entitled to rents for this land, and immediate steps should be devised to collect them, for the longer it is delayed the more difficult it will become. One plan I would suggest is, to send out from the United States, surveyors with high salaries, bound to serve specified periods, and to be paid only when they have discovered gold, with power to grant licenses to work a spot of ground—say 100 yards square—for one year, at a rent of from 100 to 1,000 dollars, at his discretion; the surveyors to measure the ground, and place the rent in possession.

A better plan, however, will be to have the district surveyed and sold at public auction to the highest bidder, so that the rent will be 20 to 40 acres. In either case, there will be many intruders, whom for years it will be almost impossible to exclude.

The discovery of these vast deposits of gold has entirely changed the character of Upper California. Its people, before engaged in cultivating their small patches of ground, and guarding their herds of cattle and horses, have now turned to the mining, and their way of life is entirely changed. Laborers of every trade have left their work benches, and tradesmen their shops. Sailors desert their ships as fast as they arrive on the coast, and several vessels have gone to sea with hardly enough loads to spread a sail. Two or three are now at anchor in San Francisco, with no crew on board. Many deserters have taken place in the garret, and within the influence of these mines; twenty soldiers have deserted from the post of Sonoma, twenty-four from that of San Francisco, and twenty-four from Monterey. For a few days the evil appeared so threatening, that great danger existed that the garrisons would leave a body; and I refer you to my orders of the 25th of July, to a soldier who adopted the military life, and I shall apply the same exertions to apprehend and punish deserters, but I believe no time in the history of our country has presented such temptations to desert as now exist in California. The danger of apprehension is small, and the prospects of high wages certain; pay and bounties are trifles, as laboring men at the mines, can now earn in one day what the soldier can receive for his flag throughout this tempting crisis. No officer can now live in California on his pay, money has so little value; the prices of necessary articles of clothing and subsistence, are so exorbitant and labor so high, that to hire a cook or servant, has become an impossibility, save to those who are earning from thirty to fifty dollars a day. The desertion of this country is a fearful thing. Yet, from the geographical position of California, and the new character it has assumed as a mining country, prices of labor will always be high, and will hold out temptations to desert. I therefore have to report that if the government wish to prevent desertions here on the part of the men, and to secure the aid of the officers, their pay must be increased very materially. Soldiers, both of the volunteer and regular service, discharged in the country, should be permitted at once to locate their land warrants in the gold district. Many private letters have gone to the United States, giving accounts of the vast quantity of gold recently discovered, and it may be a matter of surprise why I have made no report on the subject at an earlier day. The reason of this is, that I do not bring myself to believe the reports that I heard of myself. I have no hesitation now, in saying that there is more gold in the country drained by the Sacramento and Joaquin rivers, than will pay the cost of the present war with Mexico a hundred times over. No

capital is required to obtain this gold, as the laboring men want nothing but his pick and shovel and tin pan, with which to dig and wash the gold; and many frequently pick gold out of the crevices of rocks with their butcher knives, in pieces from one to six ounces. Mr. Dyer, a gentleman residing in Monterey, and worthy of every credit, has just returned from that river. He tells me the company to which he belonged worked seven weeks and two days, with an average of 50 Indians (washers), and that their gross product was 273 lbs. of gold. His share (one-seventh), after paying all expenses, is about 37 lbs., which he brought with him and exhibited in Monterey. I see no laboring man from the mines who does not show his two, three, or four pounds of gold. A soldier of the artillery company returned here a few days ago from the mines, having been absent on furlough 20 days.